

Message Text

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TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
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ATTN PARIS FOR JACK MARESCA

E.O. 11652: N/A

TAGS: SOPN, XC, US

SUBJECT: MAY 17 EA PRESS SUMMARY

KOREA
1. KOREA

IN 5/16 INTERVIEW W/NYT'S MALCOLM IN SEOUL, GEN VESSEY
SAID SOME US SUPPORT TROOPS SCHEDULED LEAVE THIS YR
UNDER W/DRAWAL PLAN HAVE ALREADY TURNED OVER JOBS TO
KOREAN FORCES. IN ADDITION, MALCOLM SAYS US FORCES
ALSO BELIEVED TO HAVE TURNED OVER NIKE-HERCULES SURFACE-
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TO-AIR MISSILE SYSTEM, WHICH SK PURCHASED. VESSEY ALSO
NOTED W/DRAWAL SCHEDULE REMAINS UNCHANGED, DESPITE
PRES CARTER'S DECISION SLOW ITS PACE. MALCOLM SAYS
VESSEY-WHILE SUPPORTING CARTER--HINTED AT CONTINUING
DISAGREEMENT/CONCERN OVER PULLOUT PLANS, STATING, "I
WOULDN'T WANT TO REDUCE THE SIZE OF THE FORCES AT
ALL."

SUN'S MARTIN (SEOUL) REPORTS ON COMPLETION KOREAN
ELECTIONS 5/18, AT WHICH TIME ELECTORS WILL AGAIN NAME

PARK CHUNG HEE SK'S PRES. NOTES ELECTORS' ACTION
"BASICALLY EMPTY RITUAL USED TO TRY TO IMPART LEGITIMACY"
TO PARK'S DICTATORSHIP. REMARKS ROKG HANDOUT ON

ELECTION SYSTEM PROCLAIMS "THOROUGHGOING PUBLIC MANAGEMENT"
OF ELECTIONS DESIGNED PREVENT "WASTE OF NATIONAL POWER
AND SOCIAL CONFUSION."

TONGSUN PARK LEFT SEOUL 5/17 FOR US TO RESUME TESTIMONY
ON ALLEGED KOREAN INFLUENCE-BUYING IN CONGRESS (REUTER
SEOUL).

2. JAPAN

DOD FORMALLY NOTIFIES CONGRESS OF PLANS SELL JAPAN 100
F-15 FIGHTERS/45 P-3C SUBMARINE-HUNTING PLANES FOR 2.2
BIL DOLS. MOVE WILL MARK BIGGEST US ARMS SALE TO JAPAN
IN HISTORY (AP, SUN; UPI, WP; REUTER 5/16).

GOJ HAS SET UP JAMMING STATIONS TO HEAD OFF POSSIBLE
ATTACK ON NARITA AIRPORT BY RADICALS USING RADIO-
CONTROLLED MODEL AIRPLANES LOADED W/HOMEMADE BOMBS
(UPI, CSM TOKYO). IN OTHER DEVELOPMENTS, POLICE
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CLOSED IN 5/16 ON FARMERS/RADICALS, INVOKING NEW LAW
REQUIRING PROTESTORS LEAVE THEIR FORTRESSES BECAUSE
THEY ARE W/IN 2-MI RADIUS AIRPORT GROUNDS. RADICALS
REFUSED, BUT POLICE AVOIDED DIRECT CONFRONTATION. GOJ
REPORTED HOPING FOR NEGOTIATED SETTLEMENT IN TALKS
W/FARMERS (WP; UPI, GLOBE 5/16; REUTER'S KOJIMA,
NARITA).

LATER REUTER ITEM SAYS ANTI-AIRPORT LEAGUE REJECTED
TALKS W/GOJ, AND TRANSPORT MINISTRY HAS WARNED THAT
UNLESS FORTRESSES ABANDONED, THEY WOULD BE SEALED
OFF/REMOVED (ANAI, NARITA).

TOSHIBA MFG HAS FILED COMPLAINT W/TREASURY IN RESPONSE
TO ITS FINDING JAPANESE-MADE TVS DUMPED IN US MARKET
IN '72-'73. TOSHIBA SAID FIRM CANNOT ACCEPT TREASURY
RULING BECAUSE DEPT PREVIOUSLY HELD TOSHIBA'S SETS
SOLD BEFORE MAY '72 NOT DUMPED (WP).

WELS (JOC) SAYS GOJ PLANS SWEEPING REFORM ITS FOREX
CONTROLS/INTENDS ESTABLISHED NEW SYSTEM UNDER WHICH
ALL FOREX TRANSACTIONS WOULD BE ACCEPTABLE UNLESS
SPECIFICALLY RESTRICTED. OTHER EASING FOREX RESTRICTIONS
ALSO FORESEEN BY FINANCE VICE-MIN MATSUKAWA.

TOYOTA/NISSAN SAY MOTOR-VEHICLE EXPORTS CLIMBED 12 PCT
FROM LAST YR, THO EXPORTS TO US FELL 1.5 PCT IN SAME

PERIOD. TOYOTA OFFICIALS BLAME US EXPORT DROP ON SERIES RETAIL PRICE INCREASES IN US MARKET SINCE LAST NOVEMBER, WHICH HAVE LIFTED AVG TOYOTA PRICE 10 PCT (WSJ).

WSJ'S SHAFFER REPORTS JAPANESE--FOLLOWING SUCCESSFUL PATTERN IN TVS/CAMERAS/SMALL CARS--NOW HOLD 80 PCT SHARE IN OFFICE COPIERS. NOTES IN US ALONE, JAPANESE INSTALLED SOME 85,000 MACHINES LAST YR--3 TIMES MORE THAN XEROX.
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IN TOKYO FOR 1ST MTG JAPAN-CANADA BUSINESSMEN'S CONF, ROSS CAMPBELL--FORMER CANADIAN AMB TO JAPAN/BOARD CHRMN ATOMIC ENERGY OF CANADA LTD--SAID 5/17 JAPAN "ACTIVELY CONSIDERING" CANADA'S HEAVY-WATER "CANDU" NUKE REACTOR. OTHER MEMBERS OF CAMPBELL'S GROUP EXPRESSED HOPE JAPAN WOULD BUY MORE SEMI-FINISHED/MFRD GOODS FROM JAPAN (REUTER TOKYO).

JAPAN TEXTILE FEDERATION HAS SET UP AD HOC CMTE TO WORK OUT COUNTERMEASURES TO CURB FLOOD TEXTILE IMPORTS FROM S E ASIA. ASSN CLAIMS DOMESTIC TEXTILE INDUSTRY SERIOUSLY HURT BY IMPORTS FROM HK/ROC/SK, HAS DECIDED INVESTIGATE IMPORT CONDITIONS (UPI, JOC).

3. CHINA

REUTER'S PRITCHETT (PEKING 5/16) REPORTS ROMANIAN PRES CEAUSESCU GIVEN RARE PRIVILEGE OF VISITING CHINESE TANK UNIT NEAR PEKING. NCNA SAID TROOPS LINED ROUTE TO TANK UNIT, DISPLAYING SLOGANS SHOWING "THEIR HIGH REGARD TO THE GLORIOUS ENVOYS COMING FROM HEROIC ROMANIA."

4. VIETNAM

ATTORNEY FOR RONALD HUMPHREY ATTACKED TESTIMONY DAVID TRUONG TUES/ELICITED INFO THAT TRUONG HAD ONCE KEPT EXTENSIVE NOTES ON HOW RECRUIT SPIES. ACCORDING WP'S SEABERRY, TRUONG MAINTAINED HIS INNOCENCE UNDER "WITHERING QUESTIONING" BY HUMPHREY'S ATTORNEY. NOTES, TRUONG SAID, WERE PART OF HIS ASIAN STUDIES RELATED TO CIA. BUT LAWYER, ACCORDING SEABERRY, SEEMED TRYING PROVE HUMPHREY
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WAS "UNWITTING DUPE, UNWITTING AGENT" IN ALLEGED SPY NETWORK. SAYS ONE EXCERPT FROM NOTES READ, "MOST DESIRABLE SITUATION IS WHERE THE SOURCE DOES NOT KNOW HE IS IN FACT PROVIDING INFORMATION TO A FOREIGN INTELLIGENCE NETWORK." SEABERRY CONTENDS LAWYER'S QUESTIONING STARTLED HIS OWN

CLIENT. JURY EXPECTED BEGIN DELIBERATIONS WEDS ON 7 CHARGES AGAINST HUMPHREY/TRUONG, WHICH COULD GIVE THEM MAXIMUM 2 LIFE SENTENCES/35 YRS IN JAIL IF CONVICTED.

5. INDOCHINA REFUGEES

AUSTRALIA ANNOUNCED WEDS IT WILL OFFER TAKE 9,000 VIET/ CAMBODIA/LAOTIAN REFUGEES BEGINNING IN JULY TO EASE PLIGHT OF THOSE WAITING IN MALAY/THAI CAMPS (5,000 TAKEN IN OVER LAST 11 MONTHS). STATEMENT MADE AFTER CABINET HELD LENGTHY MTG TUES NIGHT IN WHICH IT ALSO DECIDED TAKE OVER INITIATIVES TO TRY SOLVE REFUGEE PROBLEM BY COORDINATING W/US/OTHER COUNTRIES IN RESETTLING REFUGEES/ HOLDING VIET VESSELS IN TRANSIT UNTIL PROCESSED (REUTER CANBERRA).

MEANWHILE, UNHCR SAID FLOW REFUGEES CONTINUES, PROBABLY DUE FACTORS SUCH AS HARSH VN ECON CONDITIONS, INCL TOTAL BAN ON PRIVATE TRADING IN SOUTH/NEW CURRENCY REGS, IMPROVED WEATHER CONDITIONS IN S CHINA SEA, DESIRE OF REFUGEES JOIN RELATIVES. GOA IMMIGRATION OFFICIALS TUES INTERVIEWED 150 VIET REFUGEES TO LEARN IF THEY HIJACKED/ STOLE 2 BOATS THEY ARRIVED IN FROM SEASIA. GOM ANNOUNCED 750 VIETS HAVE LANDED MALAYSIA IN LAST 2 WKS, BRINGING TOTAL NEW ARRIVALS SINCE BEGINNING OF YEAR TO 5,000 (REUTER DARWIN 5/16).

7. VIETNAM/THAILAND

THAI AIRWAYS WEDS BEGAN WKLY COMMERCIAL SERVICE TO HANOI TO BECOME 1ST NON-COMMUNIST AIRLINE TO MAKE REGULAR UNCLASSIFIED

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FLIGHTS TO VN SINCE END OF WAR. AIR VIETNAM WILL BEGIN FLIGHTS TO BANGKOK NEXT WK (REUTER BANGKOK).

8. LAOS

WEDS "BANGKOK WORLD" REPORTED 14 SOVIET MIL ADVISORS WERE KILLED TUES IN LAOS IN LANDMINE BLAST/AMBUSH STAGED BY RIGHTWING REBELS. PAPER QUOTED REPORTS RECEIVED BY THAI INTERNAL SECURITY OFFICIALS WHICH SAID INCIDENT OCCURRED TUES AFTERNOON ON HIGHWAY OUTSIDE VIENTIANE. NO CONFIRMATION OF REPORT AVAILABLE. SCENARIO HAD SOVIETS TRAVELLING IN 3-VEHICLE CONVOY WHEN ONE OF JEEPS HIT LANDMINE. REBELS THEN MACHINE-GUNNED CRIPPLED JEEP, KILLING ALL OCCUPANTS, INCL NORTH VIET DRIVER WHO TRIED RUN AWAY. EXPLOSION SAID BE HEARD ON THAI SIDE OF MEKONG (REUTER BANGKOK).

9. AUSTRALIA

AVE HARRIMAN/WIFE WILL REPRESENT PRES CARTER AT MENZIES
FUNERAL FRI (AP, SUN).

10. NEW ZEALAND

IN SPITE OF LARGEST TRADE SURPLUS IN 4 YRS, NZ STILL WENT
INTO RED IN LAST FINANCIAL YR BECAUSE, ACCORDING JOC'S
MCLAUCHLAN (AUCKLAND), OF RECORD DEFICIT FOR "INVISIBLES."
SAYS 837-MIL-DOL DEFICIT DUE TO NON-TRADE ITEMS, SUCH AS
SOARING COST DEBT REPAYMENT/TRANSPORT/OVERSEAS TRAVEL/
INSURANCE/FREIGHT. SAYS PROSPECTS FOR RESTORATION ECON
HEALTH DIM DUE TO DROUGHT/STRIKES/UNEMPLOYMENT.

COMMENT AND ANALYSIS
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11. CHINA

IN FRONT-PG NYT ARTICLE, BUTTERFIELD (HK) OBSERVES MAO'S
SUCCESSORS HAVE APPARENTLY DECIDED USHER CHINA INTO POST-
MAO, POST-REVOLUTIONARY ERA IN NAME AS WELL AS IN FACT.
SAYS UNTIL NOW, LEADERS HAVE APPROACHED MAO'S LEGACY
GINGERLY. BUT RECENTLY, STATES PRESS HAS BEGUN "IMPART
CONFIDENCES THAT WOULD HAVE BEEN BLASPHEMY" ONLY YR OR
2 AGO. HOWEVER, BUTTERFIELD WARNS THAT THESE APPARENT
CHANGES DO NOT SHAKE BASIC INSTITUTIONS MAO/OTHERS WELDED
TOGETHER BEFORE '49/IN '50S. FINALLY, OPINES MAO--DESPITE
ACCOMPLISHMENTS--WAS NOT ABLE TAME ANCIENT CHINESE
BUREAUCRACY, AND W/REPEATED ATTACKS ON IT, "APPEARS HE
ONLY MADE ITS PROBLEMS WORSE."

LAT EDIT (5/11) OPINES ADMIN'S DECISION BLOCK PROSPECTIVE
SALE TO PRC OF ADVANCED GEOLOGICAL EXPORT EQUIPMENT WAS
MISTAKE, AND TIMING OF DECISION--IN VIEW BRZEZINSKI'S
TRIP--ESPECIALLY AWKWARD. SAYS WHILE US HAS REFRAINED FROM
ANY SUCH SALES--FEARING THEIR MILITARY USE--IT HAS
"QUIETLY ENCOURAGED" NATO ALLIES SELL ARMS TO CHINA.
WISHES DAEDALUS ENTERPRISES LUCK IN PETITIONING ADMIN
REVERSE DECISION.

HERB CAEN (SF CHRON, 5/10) OFFERS IMPRESSIONS UPON
RETURNING FROM PRC VISIT. ESPECIALLY NOTES "POLAROID
POWER...THE TECHNOLOGICAL MIRACLE OF THE INSTANT
PHOTOGRAPH" WORKED HANDSOMELY THRUOUT TOUR IN BREAKING ICE
W/CHINESE.

12. KOREA

STLP-D EDIT (5/14) SAYS HOUSE--BY REFUSING CUT AGRIC AID
FOR SK--HAS DEMONSTRATED ITS LACK OF INTEREST IN
COMPLETING INFLUENCE-BUYING PROBE. TERMS ACTION "DISPLAY
OF UNDUE DEFERENCE" TOWARDS SK'S "DICTATORIAL" GOVT. OPINES
UNELSS ANOTHER MEANS OF PRESSURE DEVISED, US WILL BE
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DEPRIVED OF INFO FROM KIM DONG JO--REPUTED "BAG MAN" IN

SCHEME BRIBE CONGRESS. ADDS THIS MAY BE JUST WHAT MANY
HOUSE MEMBERS, "IN THEIR SECRET HEARTS," WOULD PREFER.

13. MICRONESIA

STLP-D (5/1) CALLS ON US TO LIVE IN PEACE/HARMONY W/
MICRONESIANS--"A PACIFIC PEOPLE FREELY PURSUING THEIR OWN
DESTINY." NOTES US HAS QUIETLY REACHED TENTATIVE AGREE-
MENT W/MICRONESIA TO END CONTROL OVER ISLS WHICH WILL BE
GRANTED THEIR INDEPENDENCE SOON W/US RETAINING RESPONSIBIL-
ITY FOR THEIR EXTERNAL SECURITY. SAYS HOW LONG US WILL
CONTINUE EXERT INFLUENCE THERE REMAINS BE SEEN. WARNS
MICRONESIANS MAY BREAK UP INTO SEPARATE NATL UNITES ONCE
TRUSTEESHIP IS FORMALLY ENDED.

14. MALAYSIA

WSJ'S NEWMAN DOES FEATURE ON DONALD MACPHERSONS /THEIR
PLANATION LIFE IN SEGAMAT, MALAYSIA. MACPHERSON MANAGES
SEGAMAT ESTATE FOR DUNLOP TIRE/RUBBER CO. NEWMAN
CHARACTERIZES HIS 30 YRS IN MALAYSIA AS "BARONIAL" AND
"BIZARRE." NOTES HE WILL BE RETIRING IN 3 YRS, THAT OTHER
PLANTATION EXECs ARE ALSO NEAR RETIRMENT/THAT SOON
LAST OF BRITISH RUBBER PLANTERS WILL BE GONE. VANCE

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